

109TH CONGRESS  
1ST SESSION

# S. 765

To preserve mathematics- and science-based industries in the United States.

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## IN THE SENATE OF THE UNITED STATES

APRIL 12, 2005

Mr. WARNER (for himself and Mr. DURBIN) introduced the following bill;  
which was read twice and referred to the Committee on Health, Edu-  
cation, Labor, and Pensions

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## A BILL

To preserve mathematics- and science-based industries in  
the United States.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Math and Science In-  
5       centive Act of 2005”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

8               (1) The United States can have a secure and  
9       prosperous future only by having a robust and in-  
10      ventive scientific and technical enterprise.

1           (2) Such an enterprise will require the United  
2 States to produce more scientists and engineers.

3           (3) The United States education system must  
4 do more to encourage students at every level to  
5 study science and mathematics and to pursue ca-  
6 reers related to those fields.

7           (4) The current performance of United States  
8 students in science and mathematics lags behind  
9 their international peers, and not enough students  
10 are pursuing science and mathematics.

11          (5) The United States is still reaping the bene-  
12 fits of past investments in research and development  
13 and education, but we are drawing down that cap-  
14 ital.

15          (6) The United States needs to recommit itself  
16 to leadership in science, mathematics, and engineer-  
17 ing, especially as advances are being made in such  
18 areas as nanotechnology.

19          (7) A program of loan forgiveness designed to  
20 attract students to careers in science, mathematics,  
21 engineering, and technology, including teaching ca-  
22 reers, can help the United States maintain its tech-  
23 nological leadership.

24 **SEC. 3. ESTABLISHMENT OF PROGRAM.**

25          (a) PROGRAM.—

1           (1) IN GENERAL.—The Secretary shall carry  
 2           out a program of assuming the obligation to pay,  
 3           pursuant to the provisions of this Act, the interest  
 4           on a loan made, insured, or guaranteed under part  
 5           B or D of title IV of the Higher Education Act of  
 6           1965 (20 U.S.C. 1071 et seq. and 1087a et seq.).

7           (2) ELIGIBILITY.—The Secretary may assume  
 8           interest payments under paragraph (1) only for a  
 9           borrower who—

10                   (A) has submitted an application in com-  
 11                   pliance with subsection (d);

12                   (B) obtained 1 or more loans described in  
 13                   paragraph (1) as an undergraduate student;

14                   (C) is a new borrower (within the meaning  
 15                   of section 103(7) of the Higher Education Act  
 16                   of 1965 (20 U.S.C. 1003(7)) on or after the  
 17                   date of enactment of this Act;

18                   (D) is a teacher of science, technology, en-  
 19                   gineering, or mathematics at an elementary  
 20                   school or secondary school, or is a mathematics,  
 21                   science, or engineering professional; and

22                   (E) enters into an agreement with the Sec-  
 23                   retary to complete 5 consecutive years of service  
 24                   in a position described in subparagraph (D),  
 25                   starting on the date of the agreement.

1           (3) PRIOR INTEREST LIMITATIONS.—The Sec-  
2       retary shall not make any payments for interest  
3       that—

4           (A) accrues prior to the beginning of the  
5       repayment period on a loan in the case of a  
6       loan made under section 428H of the Higher  
7       Education Act of 1965 (20 U.S.C. 1078–8) or  
8       a Federal Direct Unsubsidized Stafford Loan;  
9       or

10          (B) has accrued prior to the signing of an  
11       agreement under paragraph (2)(E).

12          (4) INITIAL SELECTION.—In selecting partici-  
13       pants for the program under this Act, the Sec-  
14       retary—

15          (A) shall choose among eligible applicants  
16       on the basis of—

17               (i) the national security, homeland se-  
18       curity, and economic security needs of the  
19       United States, as determined by the Sec-  
20       retary, in consultation with other Federal  
21       agencies, including the Departments of  
22       Labor, Defense, Homeland Security, Com-  
23       merce, and Energy, the Central Intel-  
24       ligence Agency, and the National Science  
25       Foundation; and

1 (ii) the academic record or job per-  
2 formance of the applicant; and

3 (B) may choose among eligible applicants  
4 on the basis of—

5 (i) the likelihood of the applicant to  
6 complete the 5-year service obligation;

7 (ii) the likelihood of the applicant to  
8 remain in science, mathematics, or engi-  
9 neering after the completion of the service  
10 requirement; or

11 (iii) other relevant criteria determined  
12 by the Secretary.

13 (5) AVAILABILITY SUBJECT TO APPROPRIA-  
14 TIONS.—Loan interest payments under this Act  
15 shall be subject to the availability of appropriations.  
16 If the amount appropriated for any fiscal year is not  
17 sufficient to provide interest payments on behalf of  
18 all qualified applicants, the Secretary shall give pri-  
19 ority to those individuals on whose behalf interest  
20 payments were made during the preceding fiscal  
21 year.

22 (6) REGULATIONS.—The Secretary is author-  
23 ized to prescribe such regulations as may be nec-  
24 essary to carry out the provisions of this section.

1 (b) DURATION AND AMOUNT OF INTEREST PAY-  
2 MENTS.—The period during which the Secretary shall pay  
3 interest on behalf of a student borrower who is selected  
4 under subsection (a) is the period that begins on the effec-  
5 tive date of the agreement under subsection (a)(2)(E),  
6 continues after successful completion of the service obliga-  
7 tion, and ends on the earlier of—

8 (1) the completion of the repayment period of  
9 the loan;

10 (2) payment by the Secretary of a total of  
11 \$10,000 on behalf of the borrower;

12 (3) if the borrower ceases to fulfill the service  
13 obligation under such agreement prior to the end of  
14 the 5-year period, as soon as the borrower is deter-  
15 mined to have ceased to fulfill such obligation in ac-  
16 cordance with regulations of the Secretary; or

17 (4) 6 months after the end of any calendar year  
18 in which the borrower's gross income equals or ex-  
19 ceeds 4 times the national per capita disposable per-  
20 sonal income (current dollars) for such calendar  
21 year, as determined on the basis of the National In-  
22 come and Product Accounts Tables of the Bureau of  
23 Economic Analysis of the Department of Commerce,  
24 as determined in accordance with regulations pre-  
25 scribed by the Secretary.

1       (c) REPAYMENT TO ELIGIBLE LENDERS.—Subject to  
 2 the regulations prescribed by the Secretary pursuant to  
 3 subsection (a)(6), the Secretary shall pay to each eligible  
 4 lender or holder for each payment period the amount of  
 5 the interest that accrues on a loan of a student borrower  
 6 who is selected under subsection (a).

7       (d) APPLICATION FOR REPAYMENT.—

8           (1) IN GENERAL.—Each eligible individual de-  
 9 siring loan interest payment under this section shall  
 10 submit a complete and accurate application to the  
 11 Secretary at such time, in such manner, and con-  
 12 taining such information as the Secretary may re-  
 13 quire.

14           (2) FAILURE TO COMPLETE SERVICE AGREE-  
 15 MENT.—Such application shall contain an agreement  
 16 by the individual that, if the individual fails to com-  
 17 plete the 5 consecutive years of service required by  
 18 subsection (a)(2)(E), the individual agrees to repay  
 19 the Secretary the amount of any interest paid by the  
 20 Secretary on behalf of the individual.

21       (e) TREATMENT OF CONSOLIDATION LOANS.—A con-  
 22 solidation loan made under section 428C of the Higher  
 23 Education Act of 1965 (20 U.S.C. 1078–3), or a Federal  
 24 Direct Consolidation Loan made under part D of title IV  
 25 of such Act (20 U.S.C. 1087a et seq.), may be a loan for

1 which interest is paid pursuant to this section only to the  
 2 extent that such loan amount was used by a borrower who  
 3 otherwise meets the requirements of this section to  
 4 repay—

5 (1) a loan made under section 428 or 428H of  
 6 such Act (20 U.S.C. 1078 and 1078–8); or

7 (2) a Federal Direct Stafford Loan, or a Fed-  
 8 eral Direct Unsubsidized Stafford Loan, made under  
 9 part D of title IV of such Act (20 U.S.C. 1087a et  
 10 seq.).

11 (f) PREVENTION OF DOUBLE BENEFITS.—No bor-  
 12 rower may, for the same service, receive a benefit under  
 13 both this section and—

14 (1) any loan forgiveness program under title IV  
 15 of the Higher Education Act of 1965 (20 U.S.C.  
 16 1070 et seq.); or

17 (2) subtitle D of title I of the National and  
 18 Community Service Act of 1990 (42 U.S.C. 12571  
 19 et seq.).

#### 20 **SEC. 4. DEFINITIONS.**

21 As used in this Act—

22 (1) the term “Secretary” means the Secretary  
 23 of Education; and

24 (2) the term “mathematics, science, or engi-  
 25 neering professional” means a person who—

1                   (A) holds a baccalaureate, masters, or doc-  
2                   toral degree (or a combination thereof) in  
3                   science, mathematics, or engineering; and

4                   (B) works in a field the Secretary deter-  
5                   mines is closely related to that degree, which  
6                   shall include working as a professor at a 2- or  
7                   4-year institution of higher education.

8   **SEC. 5. AUTHORIZATION OF APPROPRIATIONS.**

9           There are authorized to be appropriated to carry out  
10 this Act such sums as may be necessary for fiscal year  
11 2006 and for each of the 5 succeeding fiscal years.

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